

## EXAMPLE LETTER - NO OBJECTION TO WAIVER OF OFF-TARGET PRODUCTION PENALTY

*The following is an example of an acceptable letter that may be provided to the BC Energy Regulator when applying for waiver of an off-target production penalty, from each of the affected subsurface tenure holders (as registered with the British Columbia Ministry of Energy, Mines, and Low Carbon Innovation, Titles Branch), for the formation and spacing area adjoining an off-target well's spacing area. The consent of the tenure holder in only the off-target direction need be considered. Please be aware that the offsetting rights must be held under a valid Petroleum and Natural Gas Lease, not a Drilling Licence. Waiver of the off-target penalty will be conditional upon the ongoing consent of the current tenure holder.*

*However, the consenting tenure holder is not limited to the exclusive use of this format.*

*This consent letter is not required where the applicant applying for waiver is the holder of the affected offsetting title, unless there is more than one registered owner.*

[Consenting Company]  
[Address]

[Date]

BC Energy Regulator  
2950 Jutland Road  
Victoria, BC  
V8T 5K2

Dear Sir:

**RE: Non-objection to Waiver of Off-Target Production Penalty Factor  
[Well Name and Well Authorization (WA) number]**

Please be advised that [Consenting Company], as tenure holder of:

Petroleum and Natural Gas Lease(s) # [Lease number]

hereby has no objection to the waiver of the off-target production penalty factor for the subject well, for [oil or gas] production from the [name of formation] formation.

Sincerely,

[Signature and printed name and title]  
[Phone number]  
[FAX Number]  
[Email address]

[Consenting Company]